

Chapter No. 103
10/SS26/A155SG
JR TBLR

SENATE BILL NO. 3165

Originated in Senate *Renald Guynes* Secretary

SENATE BILL NO. 3165

AN ACT MAKING AN APPROPRIATION FOR THE PURPOSE OF DEFRAYING THE EXPENSES OF THE STATE DEPARTMENT OF AUDIT FOR FISCAL YEAR 2011.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any funds in the State General Fund not otherwise appropriated, for the purpose of paying salaries and defraying the expenses of the State Department of Audit in making the audits and investigations of public offices of the state and counties as provided by Section 7-7-201 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2010, and ending June 30, 2011 \$ 5,968,097.00.

SECTION 2. The following sum, or so much thereof as may be necessary, is hereby appropriated out of any special funds in the State Treasury to the credit of the State Department of Audit's special fund account for the purpose of paying salaries and defraying the expenses of the State Department of Audit in making the audits and investigations of public offices of the state and counties as provided by Section 7-7-201 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2010, and ending June 30, 2011 \$ 6,879,017.00.

SECTION 3. Of the funds appropriated under the provisions of this act, not more than the following amount shall be expended for Salaries, Wages and Fringe Benefits \$ 9,953,181.00.

FUNDING:

General Funds	\$ 5,968,097.00
Special Funds	<u>6,879,017.00</u>

Total \$ 12,847,114.00

AUTHORIZED POSITIONS:

Permanent:	Full Time	162
	Part Time	13
Time-Limited:	Full Time	14
	Part Time	0

With the funds herein appropriated, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" for Fiscal Year 2012 do not exceed Fiscal Year 2011 funds appropriated for that purpose, unless programs or positions are added to the agency's Fiscal Year 2011 budget by the Mississippi Legislature. Based on data provided by the Legislative Budget Office, the State Personnel Board shall determine and publish the projected annual cost to fully fund all appropriated positions in compliance with the provisions of this act. It shall be the responsibility of the agency head to insure that no single personnel action increases this projected annual cost and/or the Fiscal Year 2011 appropriations for "Personal Services" when annualized, with the exception of escalated funds. If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken an action which would cause the agency to exceed this projected annual cost or the Fiscal Year 2011 "Personal Services" appropriated level, when annualized, then only those actions which reduce the projected annual cost and/or the appropriation requirement will be processed by the State Personnel Board until such time as the requirements of this provision are met.

Unless otherwise authorized in this act, no state agency shall take any action to promote or otherwise award salary increases through reallocation, reclassification, realignment, educational benchmark, career ladder, equity salary adjustment, or any other means to increase salaries of employees or positions

unless specifically exempted by the following conditions: the award of teacher salary increments; the advancement of a trainee/cadet to the next level of a bona fide career ladder; the award of an educational benchmark for the attainment of a Certified Public Accountant License or higher level professional certification based on information provided to the State Personnel Board by the Legislative Budget Office; the immediate replacement of a departing employee with an employee from within state service at a salary level of the departing employee or the Fiscal Year 2011 promotional formula, whichever is less; the emergency appointment of nurses, pharmacists or other health care and child protection professionals at a salary to be determined by the State Personnel Board; or a new hire associated with the American Recovery and Reinvestment Act of 2009. All positions supported by funds available through the American Recovery and Reinvestment Act of 2009 shall be designated as time-limited positions.

Any transfers or escalations shall be made in accordance with the terms, conditions and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written approval to escalate any funds for salaries and/or positions without proof of availability of new or additional funds above the appropriated level.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds which are being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

SECTION 4. In compliance with the "Mississippi Performance Budget and Strategic Planning Act of 1994," it is the intent of the Legislature that the funds provided herein shall be utilized in the most efficient and effective manner possible to achieve the

intended mission of this agency. Based on the funding authorized, this agency shall make every effort to attain the targeted performance measures provided below:

	FY2011
<u>Performance Measures</u>	<u>Target</u>
Post Audit	
Audits Completed (Engagements)	95
Billable Audit Hours (Hours)	127,328
Technical Assistance	
Inquiries (Action)	8,500
Cost per Inquiry (\$)	33.37
Technicalities (Actions)	0
Cost per Technicality (Cents per Issue)	0.00

A reporting of the degree to which the performance targets set above have been or are being achieved shall be provided in the agency's budget request submitted to the Joint Legislative Budget Committee for Fiscal Year 2012.

SECTION 5. In addition to the sums appropriated herein, the Office of the State Auditor is hereby authorized to receive, budget and expend, with the approval of the Department of Finance and Administration, any special funds made available to comply with the Single Audit Act of 1984. These special funds may be used to employ staff, and pay related expenses, or to engage private accountants, as necessary, to comply with the provisions of the act.

SECTION 6. It is the intention of the Legislature that whenever two (2) or more bids are received by this agency for the purchase of commodities or equipment, and whenever all things stated in such received bids are equal with respect to price, quality and service, the Mississippi Industries for the Blind shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

SECTION 7. It is legislative intent to ensure beneficial information reaches as many Mississippians as possible. Further, it is legislative intent that the expenditure of public funds for this purpose be accomplished in an efficient and effective manner.

Therefore, state agencies as standard procedure, will observe the following criteria:

- (a) Develop goals and desired result for a campaign.
- (b) Evaluate effectiveness through respected advertising standards, including market reach and cost-effectiveness.
- (c) Seek public service announcements, which would be aired by media without cost.
- (d) Itemize and justify professional assistance and related expenses for creative and production costs outside of the actual media expenditures.
- (e) Utilize Mississippi-owned media companies when feasible.

SECTION 8. Of the funds appropriated in Section 2, it is the intention of the Legislature that One Hundred Fifteen Thousand Dollars (\$115,000.00) and 10 PINs are provided for the purpose of implementing a program for a paid internship to pursue an undergraduate or graduate degree in accounting. The Office of the State Auditor may grant a paid internship to students pursuing junior or senior undergraduate level year coursework toward a Bachelor's Degree in Accounting or graduate level coursework toward a Master's Degree in Accounting. Those applicants deemed qualified shall receive funds that may be used to pay for tuition, books, and related fees to pursue their degree. It is the intent of the Legislature that the paid internship program shall be used as an incentive for accounting students to develop job-related skills and to encourage accounting careers at the Office of the State Auditor.

SECTION 9. Of the funds appropriated in Section 2, it is the intention of the Legislature that Thirty Thousand Dollars (\$30,000.00) is provided for the purpose of paying fees for a CPA Review Course for the Office of the State Auditor employees to be reimbursed over a 12-month period by the employee taking the course.

SECTION 10. It is the intention of the Legislature that the State Department of Audit is hereby authorized to escalate positions not to exceed five (5), to escalate budget and expend funds from any special source, for the purpose of auditing emergency United States Housing and Urban Development grants related to Hurricane Katrina, not to exceed Five Hundred Thousand Dollars (\$500,000.00) in accordance with rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

SECTION 11. It is the intention of the Legislature that the agency shall compile cell phone usage records of any cellular phone (wireless communication device) that is assigned, issued or made available to any officer or employee in accordance with Section 25-53-191, Mississippi Code of 1972, and these records shall be made publicly available at the expense of the agency.

SECTION 12. It is the intention of the Legislature that this agency shall have the authority to receive, budget and expend funds from any source that may become available to them as a result of the passage of the American Recovery and Reinvestment Act of 2009 in accordance with the rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

The Executive Director of the Department of Finance and Administration shall have the authority to approve escalations of funds and employee positions using funds from any source available due to the passage of the American Recovery and Reinvestment Act of 2009.

The Executive Director of the Department of Finance and Administration shall immediately send notice of the approval of such budget escalation to the House of Representatives Appropriations Committee, the Senate Appropriations Committee and the Legislative Budget Office. Within fifteen (15) days of such approval, the Executive Director of the Department of Finance and Administration shall ensure that the Legislative Budget Office receives detailed and accurate information about the amount and use of federal and special source funds by state agencies as a result of the passage of the American Recovery and Reinvestment Act of 2009.

SECTION 13. It is the intention of the Legislature that the State Department of Audit shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under this act and that such records shall be in the same format and level of detail as maintained for Fiscal Year 2010. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2012 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2011 budget request process.

SECTION 14. Of the funds appropriated under the provisions of Section 2, One Hundred Thousand Dollars (\$100,000.00) shall be derived from the Budget Contingency Fund created in Section 27-103-301, Mississippi Code of 1972, and these funds shall be used to contract with an outside accounting firm to conduct a performance audit.

SECTION 15. Of the funds provided within this act, no former employee who is receiving State of Mississippi retirement benefits shall be hired under contract for an amount exceeding Twenty Thousand Dollars (\$20,000.00) a year without prior approval by an agency's proper governing board or authority. Upon approval of such contracts a written report shall be submitted detailing the

cost and need of contract services to the Chairmen and members of the Senate and House Appropriation Committees.

SECTION 16. The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the State Fiscal Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers in the manner provided by law.

SECTION 17. This act shall take effect and be in force from and after July 1, 2010.

PASSED BY THE SENATE
April 21, 2010



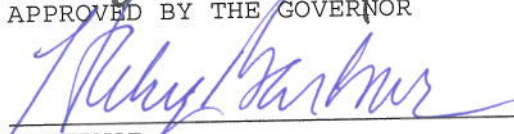
PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
April 21, 2010



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

5/24/10 5:11p